



Senate Appropriations Subcommittee Approves \$82.98 Billion  
for Veterans Affairs and Military Construction  
July 19, 2005

**Washington, DC** – A Senate appropriations subcommittee today approved an \$82.98 billion spending package that provides \$70.71 billion for veterans, \$12.1 billion for military construction, family housing, and environmental cleanup projects, and \$157 million for related agencies.

The package was approved by the Senate Appropriations Subcommittee on Military Construction and Veterans Affairs. The package now goes to the full Appropriations Committee for its consideration this Thursday. Senator Kay Bailey Hutchison (R-TX) is Chairman of the Appropriations Subcommittee on Military Construction and Veteran Affairs, and Senator Dianne Feinstein (D-Calif.) is Ranking Member of the subcommittee.

**Department of Veterans Affairs**

The spending package provides \$70.71 billion to fund the Department of Veterans Affairs, including an additional \$3.23 billion above the President's original budget request for the Department of Veterans Affairs to shore up a shortfall in medical care and restore funding cuts by the Administration. Of this amount, \$1.977 billion has been deemed emergency funding and therefore requires no offset.

**“California is home to 2.3 million veterans, the largest population of veterans in the country,”** Senator Feinstein said. **“We owe these men and women a great debt of gratitude for their efforts to protect and defend our nation.”**

“So it was deeply troubling when the VA disclosed that there was a shortfall of more than a billion dollars in the department's FY 05 budget for medical care, and a projected shortfall of more than \$1.6 billion in FY 06. With this legislation, we have closed the projected shortfall and can fulfill our commitment to our veterans. My great thanks go to Chairman Hutchison for her diligence in pursuing this funding.”

Earlier this year, the Senate voted unanimously to provide funding to make up the shortfall in the VA's FY 05 budget.

In addition, there is \$1.256 billion of increased funding that Senator Feinstein and Chairman Hutchison sought to restore funding to programs cut by the Administration and to offset policy changes rejected by the Committee. The policy changes that were rejected include enrollment fees on veterans, increased pharmaceutical co-payments, and changes to eligibility requirements for veterans in extended care State Homes. **“The Administration's budget**

request assumed that Congress would impose a \$250 enrollment fee on certain veterans and increase the pharmaceutical co-payment to \$15,” Senator Feinstein said. “I do not believe that levying fees on our veterans is the right path for the Department of Veterans Affairs to take. Additionally, the Administration’s budget proposed reducing per diem payments for state veterans homes by changing requirements for veterans who are eligible for extended care. Trying to save money by squeezing veterans out of the system is not something I believe the VA should be attempting. Therefore, we crafted a bill that rejects these policy changes and provides increased funding so that the VA does not have to impose fees, raise co-payments or change eligibility for veterans seeking care in state veterans homes.”

#### **Veterans Benefits Administration -- \$36.78 billion**

This is mandatory spending, which includes:

- Disability and survivors benefits
- Pensions for disabled veterans
- Education benefits
- Life insurance and home-ownership benefits.

#### **Veterans Health Administration -- \$31.33 billion**

This is largely discretionary spending, which includes:

- Medical Services - \$23.31 billion
- Medical Administration-- \$2.86 billion
- Information Technology – \$1.46 billion
- Medical Facilities – \$3.3 billion
- Medical and Prosthetic Research - \$412 million

#### **Construction -- \$952 million**

#### **Departmental Administration -- \$1.645 billion**

#### California Provisions

The bill also:

- Directs the VA to establish a comprehensive mental and physical health pilot program in San Diego for veterans returning from Iraq and Afghanistan.
- Directs the VA to work in conjunction with the San Francisco VA to develop preliminary guidelines and benchmarks for implementing a National Medical Quality Improvement Program. San Francisco has recorded the best overall performance in the VA's National Surgical Quality Improvement Program and is best poised to assist the VA in developing this new program.
- Commends the VA for entering into discussions regarding the establishment of a therapeutic housing program for homeless veterans on the campus of the VA's Sepulveda Ambulatory Care Center in North Hills, CA.
- Directs the VA to continue to work closely with the Department of Defense to ensure that adequate notations are included in service members’ medical records with regard to mefloquine use and adverse side effects prior to separation from the military.
- Directs the VA to report back to the Committee on plans for the land at Ford Ord that is set

aside for a cemetery.

- Provides funding for construction of a national veterans cemetery in Bakersfield, Calif.

### **Military Construction**

The spending package provides \$12.1 billion to fund construction, housing, and remediation projects at U.S. military bases across the nation and around the world.

**“America today remains at war, and it is critical that we do everything we can to support our men and women in uniform,”** Senator Feinstein said. **“This bill funds the construction of needed family housing and training facilities at home and abroad. These facilities are crucial to the well being of our troops and will help ensure that we attract and retain the highest quality personnel.”**

#### **The funding includes:**

- **\$5.9 billion for military construction** -- used for the construction of barracks, child development centers, hospitals and medical facilities, and funding for guard and reserve units.
- **\$4.13 billion for family housing construction and operations** -- used for the construction of new family housing as well as improvements and maintenance of existing housing units.
- **\$1.5 billion for the 2005 Base Realignment and Closure (BRAC) round.** The bill also prohibits the Department of Defense from spending funds for projects approved for closure by the Commission from being diverted to other projects without specific congressional approval.
- **\$378 million for environmental cleanup associated with previous BRAC rounds, plus anticipated Navy land sale revenue of \$133 million, for a total of \$511 million.**

A list of California projects funded in the bill is available upon request.

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